Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
Accelerating Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment	)	WC Docket No. 17-84
	)	
	)	

REPLY COMMENTS OF THE AD HOC TELECOMMUNICATIONS USERS COMMITTEE

Colleen Boothby
Patrick Whittle
Levine, Blaszak, Block & Boothby, LLP
2001 L Street, NW, Suite 900
Washington, DC 20036
202-857-2550

Counsel for Ad Hoc Telecommunications Users Committee

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SUMMARY

As the Commission redesigns its review of Section 214(a) discontinuance applications, it must balance its laudable goal of removing unnecessary obstacles to the ongoing technology transition with the bedrock goal of Section 214(a) and the Communications Act generally: the protection of end users. In three respects, the proposals set forth in the Further Notice of Proposed Rulemaking would fail to strike this balance, and would create an unacceptable risk of service disruptions for users.

First, Sections 68.110(b) and 51.325(a)(3) of the Rules are essential to ensure that users receive actual notice of impending network changes in time to make any terminal equipment changes needed for service continuity. Eliminating them would mean that users could, without warning, find that major portions of their networks are inoperable, resulting in massive disruption and cost. The carriers have not shown that the costs to them of complying with these rules outweighs the patent benefit to users of having them in place, and indeed it is clear that those costs are minor.

Second, watering down or eliminating the existence of adequate replacement services as a prerequisite for streamlined review would pose a threat that users would be unable to make critical uses of services going forward, without any balancing of whether the benefit of the new service outweighs the loss of these uses. A "voice" service that does not interoperate with point-of-sale terminal equipment, for example, would not only strand millions of dollars in now-useless equipment, it would require the redesign (and re-implementation) of many payment and data-collection processes that depend on such uses. This cost to users cannot adequately be assessed in a streamlined proceeding.

Third, extending the “grandfathering” streamlined procedures to higher-speed legacy data services in the manner proposed by the Commission would “freeze” these services in place as of the application date. These services are critical components of enterprise networks, and enterprise networks are dynamic by nature. For them to operate smoothly, enterprise users must have the ability to move, change and add components during the transition period. The “grandfathering” procedure must allow this for higher speed services.

The Commission must not allow its vision of the future to blind it to the present. It should reject the changes to its procedures described above.

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The Ad Hoc Telecommunications Users Committee ("Ad Hoc") hereby submits its reply comments in response to the Commission's Further Notice of Proposed Rulemaking, Notice of Inquiry and Request for Comments ("FNPRM" or "Further Notice")[1] in the docket captioned above.

The Further Notice is yet another step in the Commission's recent modifications of its procedures implementing the consumer protection provisions of Section 214(a) of the Communications Act. It follows on the heels of the Commission's earlier Notice of Proposed Rulemaking in this proceeding,[2] in which the Commission proposed to begin revising the reforms so recently adopted in its 2015 and 2016 orders in its *Technology Transitions* proceeding, GN Docket No.13-5.[3]

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1 *Accelerating Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment,* WC Docket No. 17-84*,* Report and Order, Declaratory Ruling, and Further Notice of Proposed Rulemaking, 32 FCC Rcd 11128 (2017).

2 *Accelerating Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment,* WC Docket No. 17-84*,* Notice of Proposed Rulemaking, Notice of Inquiry, and Request for Comment, 32 FCC Rcd 3266 (2017) ("*NPRM*" or "*Notice*").

3 *Technology Transitions,* GN Docket No. 13-5, *Policies and Rules Governing Retirement of Copper Loops by Incumbent Local Exchange Carriers, RM-11358; Special Access for Price Cap Local Exchange Carriers*, WC Docket No. 05-25, *AT&T Corporation Petition for Rulemaking to Reform Regulation of Incumbent Local Exchange Carrier Rates for Interstate Special Access Services*, RM-

Section 214(a) of the Act requires that carriers be permitted to "discontinue, reduce, or impair service" *only if* the Commission first certifies that "neither the present nor future public convenience and necessity will be adversely affected thereby." For the reasons discussed in greater detail below, several proposals in the Further Notice would make it impossible for the Commission to make any such certification because those who are best positioned to identify harm to the public convenience and necessity – end users – would have no meaningful opportunity to provide evidence vital to the Commission's determination under the streamlined procedures proposed in the FNPRM. Such an outcome would be inconsistent with the requirements of the Communications Act. Ad Hoc supports the Commission's ongoing efforts to facilitate the natural evolution of the network from TDM to IP but those efforts must also ensure that the interests of customers are protected during the transition, and must strike the proper balance between supporting carrier efforts to modernize their networks and protecting consumers from uneconomic and unnecessary disruption of their businesses.

INTRODUCTION

Ad Hoc's members are enterprise users operating complex communications and information technology networks. These networks are key to their ability to provide goods and services to their customers. It is no exaggeration to say that business users' telecommunications networks are the nervous system of the American economy.

10593, Report and Order, Order on Reconsideration and Further Notice of Proposed Rulemaking, 30 FCC Rcd 9372 (2015) ("*2015 Order*"); *Technology Transitions*, GN Docket No. 13-5, *USTelecom Petition for Declaratory Ruling that Incumbent Local Exchange Carriers are NonDominant in the Provision of Switched Access Services*, WC Docket No. 13-3, *Policies and Rules Governing Retirement of Copper Loops by Incumbent Local Exchange Carriers*, RM-11358, Declaratory Ruling, Second Report and Order, and Order on Reconsideration, 31 FCC Rcd 8283 (2016) ("*2016 Order*").

These networks are built out of nearly every telecommunications product and service offered in the market today, from legacy TDM voice and low-speed data to the newest, fastest, most advanced data services available. Ad Hoc members are always among the earliest adopters of each new telecommunications offering rolled out by carriers. They do not "follow" these developments. They are leaders in identifying ways in which technological advances can bring ever more robust, efficient, and effective services to market; recognizing how these can provide growing efficiencies and cost savings to consumers; and designing and building networks to make these a reality.

Members represent a broad variety of industries, including the automotive, banking, financial services, construction, insurance, information technology, paper products, package delivery, transportation/logistics, medical, electronic, and manufacturing sectors. It is no wonder that Ad Hoc members spend some $2-3 billion annually on communication products and services.

But Ad Hoc's members also continue to need more "old-fashioned" services. They serve consumers, employ workers, and operate facilities in areas where the newest, "cutting edge" services are *not* called for. For low-volume locations, highly-specialized applications, and many rural, wilderness and mountainous areas, to name just a few, legacy services remain the best, most cost-effective solution for enterprise customers like the members of Ad Hoc. And enterprise customers have invested millions of dollars in equipment, facilities, engineering, design, installation and construction in incorporating these services into their networks. While the ongoing technological transition is tremendously important, and Ad Hoc members are eager participants in it, users cannot simply "flip a switch" to make that transition. Mission-

critical network services cannot be replaced without careful planning and meticulous implementation of service installations, cut-overs, and discontinuances.

Accordingly, throughout the Commission's proceedings addressing these issues, Ad Hoc has urged the Commission to exercise appropriate regulatory oversight to accomplish two key objectives. First, the Commission must require ILECs to ensure that their deployment of new technologies is *transparent* to customers so that it does not disrupt their use of services or require them to invest many millions of dollars in new equipment merely to "tread water" by using new services that do not even provide functionalities equivalent to the old.

Second, in those areas in which competition remains too weak to force carriers to carry out their transition plans in a manner that does not impose undue costs or disruptions on customers or enable them to extract monopoly rents from end users, the Commission must be especially vigilant in carrying out its duty under Section 214 to ensure that service discontinuances, reductions, and impairments do not harm the public interest. As Ad Hoc noted in an earlier proceeding:

> [T]he evolution of public and private networks from legacy services to packet-mode services does not change the underlying market characteristics or market power conditions for last mile transmission facilities. The "transition" … is a change in the transmission protocol used to send information over…transmission facilities; it is not a change in the facilities and marketplace forces that confer market power on the ILECs. Whether traffic is transmitted over copper or fiber, using legacy TDM transmission protocols or over those same facilities using packet-mode transmission protocols, the relevant metric for the Commission's analysis is competition for the provision of the facility. Change in the transmission protocol of traffic transmitted over a physical facility – or even a change in the transmission protocol demanded by customers – does not necessarily introduce additional "competition" into the market.[4]

[4] Comments of the Ad Hoc Telecommunications Users Committee on the FNPRM, WC Docket No. 05-25 (filed February 11, 2013) at 10.

Ad Hoc members welcome new technology. But if the technology transition is implemented by carriers in a way that hinders rather than fosters the complex and delicate process of designing, building, maintaining, and operating large corporate networks, Ad Hoc's members and their customers will be harmed more than benefitted by these changes. As set forth below, a number of the changes proposed in the Further Notice and supported by the carriers in their comments would not adequately assure that their benefits exceed their costs. The Commission should reject these changes.

DISCUSSION

I. THE COMMISSION SHOULD REJECT PROPOSALS TO DO AWAY WITH RULES PROVIDING NETWORK CHANGE INFORMATION TO THE PUBLIC.

In the FNPRM, the Commission again asks whether it should eliminate Section 68.110(b) of the Rules,[5] just as it did in the NPRM.[6] This Section provides that when a carrier plans to make "[c]hanges in its communications facilities, equipment, operations or procedures," then:

> If such changes can be reasonably expected to render any customer's terminal equipment incompatible with the communications facilities of the provider of wireline telecommunications, or require modification or alteration of such terminal equipment, or otherwise materially affect its use or performance, the customer shall be given adequate notice in writing, to allow the customer an opportunity to maintain uninterrupted service.[7]

In the FNPRM, the Commission also asks whether Section 51.325(a)(3) of its Rules should be eliminated.[8] This latter rule requires that ILECs give advance public notice of

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5 FNPRM at para. 166.

6 NPRM at para. 70.

7 47 CFR § 68.110(b).

8 FNPRM at paras. 165-166.

network changes that "will affect the manner in which customer premises equipment is attached to the interstate network."[9]

As they did last time around, several carriers urge the Commission to do away with these rules. They continue to assert that the rules create costly compliance requirements (though they do not substantiate their claims with evidence or quantify the supposed costs) and that they cannot be expected to know when network changes would affect CPE because they are ignorant of the types of terminal equipment customers are using. Verizon, for example, argues that carriers cannot be expected to comply with this rule because they "cannot track every variety and capability of customer terminal equipment and therefore … cannot predict whether a network change will impact customer equipment."[10] AT&T acknowledges that compliant CPE will be listed in the ACTA database, but states that this is not enough to go on because "AT&T has no idea what specific equipment is being used by a specific subscriber, nor whether that specific CPE being used is ACTA compliant."[11] Both argue that the rules are outdated because they no longer manufacture equipment and therefore have no incentive (or ability) to favor their own affiliates.[12]

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9 47 CFR § 51.325(a)(3).

10 Comments of Verizon on the FNPRM, WC Docket No. 17-84 (filed January 17, 2018) ("*Verizon Comments*") at 16.

11 Comments of AT&T on the FNPRM, WC Docket No. 17-84 (filed January 17, 2018) ("*AT&T Comments*") at 10. Oddly, AT&T then argues the opposite – that it must reach out to customers and find out what equipment they are using in order to do a "truck roll" to convert the customer to new technology. *Id.* at 10-11. AT&T gives no reason why it cannot do this outreach earlier in the process. In any event, as noted below, neither rule is premised on carriers having microscopic knowledge of individual users' CPE choices.

12 AT&T Comments at 8-9; Verizon Comments at 16-17.

To take the last part of their argument first, Section 68.110(b) was adopted to protect consumers from service disruptions, not to address structural separation issues arising from the ILECs' then-existing manufacturing businesses. In 2001, the Commission streamlined its rules regarding technical criteria for customer terminal equipment to be connected with the network, allowing it "to replace approximately 130 pages of technical criteria currently in [the] rules with only a few pages of simple principles…. "[13] Because the Commission was ceasing direct oversight of these criteria, it needed to assure that customers were adequately apprised of network changes affecting their use of terminal equipment so that they did not wake up one morning to find portions of their networks inoperable. Accordingly, the protection set forth in Section 68.110(b) was adopted.

This protection would be needed even if no carrier had ever manufactured a single PBX. As Ad Hoc noted in its Reply Comments on the NPRM:

> It is hard to imagine circumstances in which this rule does *not* materially benefit users of telecommunications services. By its own terms, the rule is designed to "allow the customer an opportunity to maintain uninterrupted service," which is a bedrock objective of the Act. Given the ripple effects on enterprise customers' IT infrastructures…, any service interruption arising from inadequate notice would have a cost that is a very large multiple of the mere loss of the piece-part involved. Enterprise customers would be required to redesign their networks on the fly and after the fact, and major disruptions and interruptions to their ability to serve their own customers would be inevitable. The avoidance of these costs and disruptions is a clear and major benefit arising from the rule as it exists today.[14]

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13 *2000 Biennial Regulatory Review of Part 68 of the Commission's Rules and Regulations*, CC Docket No. 99-216, Report and Order, 15 FCC Rcd 24944 (2000) at para. 4.

14 Reply Comments of the Ad Hoc Telecommunications Users Committee on the NPRM, WC Docket No. 17-84 (filed July 17, 2017) ("*Ad Hoc NPRM Reply Comments*") at 7-8 (footnotes omitted).

Thus, the changes in the manufacturing marketplace cited by AT&T and Verizon are immaterial to the question of whether to retain Section 68.110(b).[15]

No carrier has quantified the purported costs of complying with this rule, and it is clear that these costs are minor. The rule merely requires that the notice be "adequate" to allow uninterrupted service and does not mandate any particular form or means of notice. Nor does it require precise knowledge by the carrier of which customers have deployed which equipment, but applies only where network changes "can be reasonably expected" to result in equipment incompatibility. For this reason, Verizon's and AT&T's claims of ignorance of their customers' CPE uses (and the implied costs of overcoming such ignorance) are simply disingenuous. As Ad Hoc pointed out in its earlier reply comments on the NPRM, carriers can and do gather knowledge of what equipment their customers are using through participation in industry fora, standard-setting groups, conferences, and publications, as well, of course, as direct customer interaction such as sales and account management, and partnering with equipment providers to deploy and manage equipment.[16] Indeed, no competent business would proceed otherwise, and any failure to do so would hardly be grounds for excusing carriers from this reasonable, non-burdensome and extremely beneficial requirement.

Moreover, the standardized interfaces developed by carriers in conjunction with CPE manufacturers ensure that carriers do not need to know the specifics of customer CPE selection to understand when network changes are likely to impact CPE use. So

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15 Their argument has somewhat more force with regard to Section 51.325(a)(3). Ad Hoc would not object to consolidating these two notice requirements so long as the customer protections of Section 68.110(b) are maintained.

16 Ad Hoc NPRM Reply Comments at 8-9.

long as the interface is standardized and public, manufacturers are free to develop new equipment and bring innovative products to the market, while customers are free to use any CPE that complies with interface specifications and meets their needs.[17] As long as network changes take place behind the scenes, and carriers continue to present the same standardized interfaces to the market, users are not impacted and the rule is not even triggered. But when carriers change their networks in ways that require changes to interface standards, the embedded base of equipment that conforms to the outgoing standards will necessarily be affected, and the rule is triggered – as intended – to protect customers. It goes without saying that carriers are well aware when this is the case.

II. THE COMMISSION SHOULD REJECT PROPOSALS TO WATER DOWN OR ELIMINATE THE THREE-PRONG "ADEQUATE REPLACEMENT SERVICE" TEST, OR TO FORBEAR FROM APPLYING SECTION 214

In its *2016 Order*, the Commission adopted criteria for streamlined treatment of discontinuance applications for legacy voice service as part of a technology transition, allowing automatic grant of such applications in a specified time frame provided that the application demonstrates that an "adequate replacement service" is available for the service being discontinued. An "adequate replacement service" would be one that met all of the following criteria: (1) it satisfies specified objective, measurable benchmarks designed to assure that the quality of the replacement service is as good as, or better than, the service being discontinued; (2) it complies with existing Commission rules or

[17] Indeed, AT&T acknowledges the usefulness of the ACTA database in this regard, and even notes that it must find out customers' specific uses sooner or later as a matter of course. AT&T Comments at 10-11.

industry standards; and (3) it is compatible and interoperable with an enumerated (and very short) list of "key" applications and functionalities.[18] Importantly, the failure of a replacement service to meet these standards would merely disqualify the discontinuance application from automatic approval; it would not prevent the carrier from justifying discontinuance by making the necessary Section 214 showing under non-streamlined review.[19]

The FNPRM now proposes to jettison this three-prong test in favor of a two-part test proposed by Verizon: an application would qualify for automatic grant where a carrier certifies: "(1) that it provides interconnected VoIP service throughout the affected service area; and (2) that at least one other alternative voice service is available in the affected service area."[20] There would be no requirement that either the interconnected VoIP service or the alternative voice service remain interoperable with any particular uses made by consumers, no matter how widespread or critical – or even that it meet minimal quality standards or comply with Commission rules.

Under this proposal, a service discontinuance could produce massive disruption and huge costs for users. For example, the existing test requires that point-of-sale terminals, which are used for everything from recording a sale to validating a credit card to updating inventory records, remain interoperable with the replacement service for it to be considered "adequate" to justify streamlined treatment. With this requirement gone, a service discontinuance on very short notice could strand thousands of point-of-sale

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18 *2016 Order* at paras. 86-125. The initial list of key applications includes only fax machines, home security alarms, medical monitoring devices, analog-only caption telephone sets, and point-of-sale terminals.

19 *2016 Order* at para. 64.

20 FNPRM at paras. 171-173.

terminals, requiring, for example, manual processes to validate millions of credit and debit card transactions. The collateral consequences would include clogging the voice network with confirmation calls, increasing card fraud, long lines at retailers (and lost business when customers abandon the transaction in frustration), and otherwise increasing inconvenience and transaction costs for both consumers and businesses.

The three-prong test is well-designed to serve the bedrock statutory requirement that "neither the present nor future public convenience and necessity will be adversely affected"[21] by a proposed service discontinuance. Verizon's proposal cannot serve this statutory objective because it would not protect customers from replacement services with inferior quality and the loss of important interconnection/interoperability functionalities. Verizon acknowledges in a separate part of its argument that Section 214(a) explicitly seeks to protect "the adequacy or quality of service provided" even as it opposes any procedure that would ensure the adequacy or quality of the replacement service,[22] but shies away from the obvious conclusion that achieving this goal requires a determination whether replacement services are in fact adequate.

A fortiori, the same conclusion is true for the even more draconian measures that have been proposed in comments such as AT&T's and CenturyLink's, where they argue that the Commission should at most require that *either*, not *both*, of parts (1) and (2) of the Verizon test be satisfied to allow for streamlined treatment.[23] Moreover, at least

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21 47 U.S.C. § 214(a).

22 Verizon Comments at 8.

23 AT&T Comments at 7; Comments of CenturyLink on the FNPRM, WC Docket No. 17-84 (filed January 17, 2018) ("*CenturyLink Comments*") at 17-18. ITTA's suggestion that the Commission streamline the entire Section 214(a) discontinuance process to a notice-only regime would not even require that a single replacement service remain in place. Comments of ITTA on the FNPRM, WC Docket No. 17-84 (filed January 17, 2018) ("ITTA Comments") at 5.

Verizon's proposal would require that the VoIP service be provided "throughout" the affected service area to qualify the application for streamlined treatment.[24] AT&T and CenturyLink would allow streamlined treatment (under criterion (2)) merely for an alternative voice service "in" the affected service area. Thus, an entire area could be deprived of legacy voice service even if only a tiny slice of it were served by another service. The perils of such an approach are obvious.

The FNPRM asks as an alternative whether, as Verizon, CenturyLink and WTA suggested, the Commission should simply forbear from applying the Section 214 discontinuance requirement where carriers are "seeking to transition from legacy voice services to next-generation replacement services" or are discontinuing service "as part of a network upgrade."[25] Verizon[26] and CenturyLink[27] support this proposal. But neither provides any meaningful showing that the requirements for forbearance set forth in Section 160(a)(1)-(3) have been met. CenturyLink cites only the "general availability of and intense competition for wireline and wireless substitutes for legacy voice services" but provides no evidence whatever of the geographical or marketplace extent of such competition or why it should be deemed sufficient to protect consumers where carriers cannot even be bothered to certify that an adequate replacement service exists.[28]

Verizon too cites "competition" as the reason for forbearance, and its showing is only slightly more extensive that CenturyLink's: it states that 52.5% of households have

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24 Verizon Comments at 11.

25 FNPRM at paras. 174-175.

26 Verizon Comments at 8-10.

27 CenturyLink Comments at 16-17.

28 *Id.* at 17.

forgone wireline service entirely in favor of wireless services, and that those who still use wireline have "largely" switched to VoIP.[29] But the Report relied on by Verizon for the latter proposition showed that over 62 million lines – including 36 million business lines – were still being served using legacy switched access lines.[30] While these customers may now be in the minority, they still represent a sizable portion of American users. The fact that other customers have switched does not deprive these customers of their rights to the protections embodied in Section 214(a).[31]

III. FURTHER STREAMLINING OF "GRANDFATHERED" SERVICES WOULD DO EVEN GREATER HARM TO USERS.

In the Report and Order adopted along with the FNPRM, the Commission adopted its proposal for speedy auto-grant of applications to discontinue "low-speed legacy (i.e., below 1.544 Mbps) services" where existing customers are "grandfathered," so that service to these customers would be maintained while the carrier would be allowed to stop accepting orders from new customers.[32] The Commission also provided that, after another 180 days, service to the remaining grandfathered customers could then be discontinued using a streamlined procedure. The FNPRM now proposes to

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29 Verizon Comments at 9.

30 Voice Telephone Services: Status as of June 30, 2016 (Wireline Competition Bureau, April 2017), available at https://apps.fcc.gov/edocs_public/attachmatch/DOC-344500A1.pdf, at 2-3.

31 Verizon claims to have newly discovered that the Commission does not even have authority to require a Section 214(a) discontinuance application as long as any part of the "community" would still have an alternative service available. Seizing on a few stray comments in the legislative history of the Act, Verizon argues that a carrier has "discontinued" a service for purposes of Section 214(a) only if the community would be completely "sever[ed] … from the outside world"! Verizon Comments at 5-8. This bizarre interpretation, of course, flies in the face of decades of understanding by the Commission and industry participants alike. In any event, Section 214 applies not only to "discontinu[ance]" but also to "reduc[tion]" and impair[ment]" of service to a community or a part thereof, and the cessation of an entire service by one carrier certainly qualifies as both of these.

32 FNPRM (Report and Order) at paras. 84-90.

extend the same two-stage discontinuance procedure to "data services with download/upload speeds of less than 25 Mbps upload/3 Mbps download, so long as the applying carrier provides data services of equivalent quality at speeds of at least 25 Mbps/3 Mbps or higher throughout the affected service area."[33]

Predictably, the carriers line up behind this proposal, and several of them seek to extend it even further. Verizon would extend it to *all* data services, regardless of speed, and would dispense with the requirement that the carrier offer an alternative service of equivalent quality.[34] AT&T would do the same, and would not even require grandfathering, so long as customers who would otherwise be grandfathered had received at least 180 days' notice of the discontinuance.[35] CenturyLink would extend the procedure to data services with speeds up to 45 Mbps for both upload and download.[36] Only ITTA would draw the line where the Commission proposed it, at 25 Mbps/3 Mbps.[37]

As Ad Hoc noted in its Reply Comments on the Notice, the Commission's initial proposal – limited to low speed legacy services – posed less of a concern "so long as the definition of what it means to 'grandfather' a service is of sufficient scope and clarity," and so long it was not expanded to cover higher speed services.[38] As to the former, Ad Hoc emphasized that the rules adopted must take into account the dynamic

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33 FNPRM at paras. 156-159.

34 Verizon Comments at 14-15

35 AT&T Comments at 2-3.

36 CenturyLink Comments at 12-13.

37 ITTA Comments at 5-6.

38 Ad Hoc NPRM Reply Comments at 16.

nature of enterprise networks, and that "grandfathering" would be of limited utility if it simply froze the legacy services in the user's network in place as of the application date. Rather, the grandfathered customer must continue to be allowed to move, change and add legacy services in the ordinary course of business:

> This clarification merely recognizes and accommodates the normal churn in locations and service reconfigurations that are typical for a single customer's network. "Grandfathering" is a mythical solution if it means that an existing service can be frozen in time. "Grandfathering" cannot mean that an existing service is limited to the specific customer locations in place at the time discontinuance takes effect, for example. … [E]nterprise customer networks tend to be geographically extensive and subject to dynamic changes and redesign "at the edges" even when the underlying technology remains static. Thus, a customer that is using a particular technology will often be hamstrung if told with only ten days to comment that it cannot continue in the near-term to use that service to serve all of its locations, even those which have been planned for months but not yet rolled out.
>
> "Low-speed legacy services," as unglamorous as they sound, are no exception to this. Enterprises with nationwide networks must often use such technologies because they are the most cost-effective alternative, e.g., in remote or low-volume locations. Consider for example, a point-of-sale terminal at a gas station in Death Valley. It would be irrational to use DS1 speeds for the likely volume of transmissions needed, even in the unlikely event that such service were available.[39]

Unfortunately, the Commission did not see fit to assure "grandfathered" users this ability to continue using the legacy services as they had been.[40] This is regrettable, as it will significantly increase these users' design and management costs and disrupt their network operations with little if any countervailing benefit.

Any extension of this treatment to "freeze" customers' use of higher speed services on the basis of a streamlined application would be even more woefully misguided. If anything, higher-speed circuits are even more critical to enterprise users,

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39 Ad HOC NPRM Reply Comments at 16-17.

40 FNPRM (Report and Order) at para. 90.

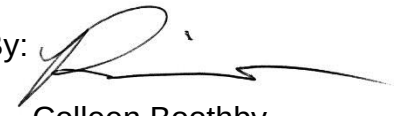
and the ability to add like circuits to a network design, or to move or upgrade or downgrade existing circuits without migrating to a different technology is paramount. Conversely, a forced migration to a different technology would cause users to incur even higher costs and greater potential for disruption than low-speed services. Thus, regardless of its decision with regard to low-speed services, the Commission *must* give grandfathered customers this right for higher speed services. Any other result would fly in the face of the Commission's reasons for believing that "grandfathering" customers gives them sufficient protection to justify streamlined treatment.

CONCLUSION

For all of the reasons discussed above, the Commission should protect the public convenience and necessity by rejecting the proposed changes and carrier proposals identified in these Reply Comments.

Respectfully submitted,

AD HOC TELECOMMUNICATIONS USERS COMMITTEE

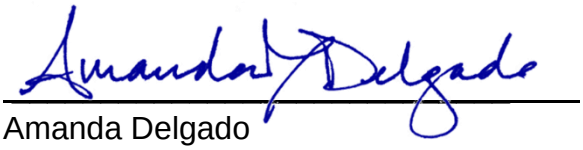
By: 

Colleen Boothby
Patrick Whittle
Levine, Blaszak, Block & Boothby, LLP
2001 L Street, NW, Suite 900
Washington, DC 20036
202-857-2550
Counsel for Ad Hoc Telecommunications Users Committee

February 16, 2018

Certificate of Service

I, Amanda Delgado, hereby certify that a true and correct copy of the preceding Comments of Ad Hoc Telecommunications Users Committee was filed this 16th day of February, 2018, via the FCC's ECFS system.



Amanda Delgado
Legal Assistant
Levine, Blaszak, Block & Boothby, LLP
2001 L Street, NW, Ninth Floor
Washington, D.C. 20036
202-857-2550